



**UNITED STATES OF AMERICA OPERATIONS MISSION**  
(Special Economic and Technical Mission)  
TO CAMBODIA, LAOS AND VIETNAM

AMERICAN EMBASSY  
SAIGON, VIETNAM

July 17, 1954

Societe Cottonniere du Tonkin  
30, Blvd. Charner  
Saigon.

Attention: Mr. Doreau

Gentlemen:

Reference is made to our conversation of this morning regarding the FOA-financed cotton presently located at Haiphong. This is to confirm the fact that the Mission desires to have this cotton removed as soon as possible. If shipping space can be obtained, the cotton should be shipped to the U. S. Operations Mission, Foreign Operations Administration, Kenglung, Formosa. If no shipping space for Formosa can be obtained, if Haiphong, the cotton should be transhipped to Saigon.

The Mission has received authorization from the Foreign Operations Administration in Washington to reimburse you for counterpart deposits and customs duties paid by you for the stocks located at Haiphong and to reimburse you for all charges incidental to the outloading of this cotton from Haiphong. Reimbursement will be made at Saigon in piastres upon the presentation of on board bills of lading covering the cotton located at Haiphong.

Should you have any further question regarding the proposals contained in this letter, please feel free to contact either Mr. Stelly or Mr. Mann in this office.

Your earliest concurrence is requested.

Sincerely yours,

Paul E. Everett  
Acting Director of Mission

State Department review completed



**UNITED STATES OF AMERICA OPERATIONS MISSION**  
(Special Technical and Economic Mission)  
TO CAMBODIA, LAOS AND VIETNAM

AMERICAN EMBASSY  
SAIGON, VIETNAM

July 15, 1954

*Ris*

Societe Cotonniere du Tonkin  
30, Blvd. Charner  
Saigon

Attention: Mr. Boesen

Gentlemen:

Reference is made to our memorandum of July 1, 1954, and your letter No. 313/17 and conversations between your Mr. Boesch and officers of this Mission.

It appears from your letter No. 313/17 and the conversations with your Mr. Boesch that serious misunderstandings exist as to title and disposition of cotton furnished to your company through the Vietnamese Government with U. S. dollars made available by the Foreign Operations Administration of the United States Government.

To clarify these misunderstandings, the Mission desires to point out the following:

- (1) U. S. dollars furnished to importers through the channels of the Vietnamese Government for the importation of commodities are covered by the bilateral agreements between the United States of America and the Government of Vietnam.
- (2) These agreements and pertinent U. S. legislation clearly specify that commodities financed by the Foreign Operations Administration are imported into the State of Vietnam for definite purposes, in your case for manufacturing raw cotton into cloth at your installation at Nam Dinh.
- (3) With respect to cotton, it is unmistakably clear that after the abandonment of Nam Dinh by the French Union forces, the purpose for which funds were made available originally no longer exists, and stocks of FOA-financed cotton presently located at Haiphong should be returned for disposition in other areas where FOA operates. Payments made in local currency for these stocks will be reimbursed to you. The Mission desires that the

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July 15, 1954

cotton stockpiled at Haiphong be shipped to Saigon immediately. Freight charges incidental to this move will be reimbursed.

- (4) In regard to the 3250 bales of cotton purchased under IC 13 of which 1850 bales are afloat aboard the S. S. Fernplant, Fernbay, and Velma Lykes, the same regulations apply. As per your request of 18 June 1954, 1400 bales have been cancelled before departure from the U. S., and the 1850 bales afloat are being diverted from Vietnam to other countries for which FDA finances cotton purchases. Bills of lading for these 1850 bales of cotton now in your possession, or in the hands of your bank, should be turned over immediately, endorsed to the Mission in order that they can be forwarded to the place of discharge and utilization of subject 1850 bales. Advance counterpart deposits made by your company will be reimbursed after all charges and losses incidental to the cancellation and disposal are known and accounted for.
- (5) In view of the above, the Mission cannot accept the conditions Nos. 1 and 2 proposed by you in your letter of July 12 since they are contrary to existing agreements between the United States of America and the State of Vietnam.
- (6) The Mission feels that under present conditions, the cotton stored at Haiphong does not serve any purpose whatsoever and occupies badly needed storage area in this exceptionally busy port, hence it should be moved from Haiphong to Saigon pending disposition instructions from our Washington office.

Please acknowledge receipt of this letter indicating your understanding of the foregoing.

Sincerely yours,

*Paul E. Everett, Jr.*

Paul E. Everett, Jr.  
Acting Director of Mission



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**UNITED STATES OF AMERICA OPERATIONS MISSION**  
(Special Technical and Economic Mission)  
**TO CAMBODIA, LAOS AND VIETNAM**

AMERICAN EMBASSY  
SAIGON, VIETNAM

Le 12 Juillet 1954

Société Commoire du Tonkin  
50, Blvd. Cherner  
Saigon

Messieurs,

Suite à l'entretien d'aujourd'hui entre des membres de cette Mission et Mr. Boesch de votre Société, j'ai l'honneur de vous faire connaître officiellement que nous sommes inquiets quant à la sécurité des stocks de coton achetés avec des fonds de l'Aide Economique Américain. Ces stocks de coton, importés par votre Société, sont entreposés provisoirement à Haiphong.

Etant donné l'augmentation de l'insécurité au Nord Vietnam, permettez-moi de vous demander de bien vouloir nous renseigner sur la quantité des stocks de coton qui se trouvent actuellement au Nord Vietnam aussi bien que sur les lieux d'entrepôt pour que l'on puisse prendre des mesures en vue d'évacuer immédiatement ces commodités financées par la F.E.A. qui se trouvent au Nord Vietnam et qui pourraient être saisies par les forces armées communistes.

Veillez agréer, Messieurs, l'expression de nos sentiments les meilleurs.

*Paul E. Everett*  
Paul E. Everett  
Directeur de Mission p.i.